

WHAT IS CLAIMED IS:

1. A method for routing a trading order to a market center, comprising:

5 receiving a trading order specifying a trading product;

determining a plurality of market center prices for the trading product, each market center price associated with at least one of a plurality of market centers;

10 selecting one of the plurality of market centers based upon the determined market center prices;

determining a disclosure policy for the selected market center; and

routing the trading order to the selected market center according to the determined disclosure policy.

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2. The method of Claim 1, wherein the trading order specifies at least one of a bid request and an offer request for the trading product.

20 3. The method of Claim 1, wherein the trading product comprises a financial instrument.

4. The method of Claim 1, wherein the trading product comprises at least one of:

25 a stock;

a bond; and

a futures contract.

30 5. The method of Claim 1, wherein each market center price comprises at least one of a bid price and an offer price for the trading product.

6. The method of Claim 1, wherein selecting one of the plurality of market centers comprises:

receiving best price information for the trading product;

5 adjusting at least one market center price according to policy information associated with the corresponding market center;

comparing the plurality of market center prices; and

10 selecting a particular market center based at least in part upon the comparison.

7. The method of Claim 6, wherein the policy information indicates whether a particular market center will match, split, or disregard the best price  
15 information.

8. The method of Claim 6, wherein the best price information identifies at least one of a best bid price and a best offer price for the trading product.

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9. The method of Claim 1, wherein selecting one of the plurality of market centers comprises:

adjusting at least one market center price according to at least one of cost information and rebate  
25 information of the corresponding market center;

comparing the plurality of market center prices; and

selecting a particular market center based at least in part upon the comparison.

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10. The method of Claim 9, wherein:

the cost information specifies a transaction cost charged by a particular market center for processing the trading order; and

5 the rebate information specifies a transaction rebate charged by a particular market center for processing the trading order.

11. The method of Claim 1, wherein the trading  
10 order specifies a total quantity of the trading product and a maximum disclosure quantity of the trading product, wherein the trading order is associated with a particular market center.

15 12. The method of Claim 11, wherein:

the disclosure policy of the selected market center is a proprietary reserve policy; and

the trading order routed to the selected market center specifies the total quantity of the trading  
20 product and the maximum disclosure quantity of the trading product.

13. The method of Claim 11, wherein:

the disclosure policy of the selected market center  
25 indicates that the trading order may be disclosed to a market participant; and

the trading order routed to the selected market center specifies the maximum disclosure quantity of the trading product but not the total quantity of the trading  
30 product.

14. The method of Claim 13, wherein the trading order routed to the selected market center comprises a day trading order that remains on an order book of the selected market center for the lesser of the remainder of  
5 a current trading day, until it is canceled, or until it is filled.

15. The method of Claim 11, wherein:  
the disclosure policy of the selected market center  
10 indicates that the trading order will not be disclosed to a market participant; and  
the trading order routed to the selected market center specifies the total quantity of the trading product.

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16. The method of Claim 15, wherein the trading order routed to the selected market center comprises an IOC order that the selected market center attempts to fill immediately and cancels any portion of the trading  
20 order that cannot be filled immediately.

17. The method of Claim 1, further comprising:  
monitoring the length of time the trading order is active with the selected market center;  
25 determining a timeout when the length of time the trading order is active with the selected market center equals or exceeds a predetermined time threshold; and  
communicating a cancel instruction for the trading order in response to determining the timeout.

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18. The method of Claim 17, further comprising communicating an order instruction for the trading order in response to determining the timeout.

19. A system for routing a trading order to a market center, comprising:

a memory operable to store a trading order specifying a trading product; and

5 a processor coupled to the memory and operable to:

determine a plurality of market center prices for the trading product, each market center price associated with at least one of a plurality of market centers;

10 select one of the plurality of market centers based upon the determined market center prices;

determine a disclosure policy for the selected market center; and

15 route the trading order to the selected market center according to the determined disclosure policy.

20 20. The system of Claim 19, wherein the trading order specifies at least one of a bid request and an offer request for the trading product.

21. The system of Claim 19, wherein the trading product comprises a financial instrument.

25 22. The system of Claim 19, wherein the trading product comprises at least one of:

a stock;

a bond; and

a futures contract.

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23. The system of Claim 19, wherein each market center price comprises at least one of a bid price and an offer price for the trading product.

5        24. The system of Claim 19, wherein selecting one of the plurality of market centers comprises:

          receiving best price information for the trading product;

          adjusting at least one market center price according  
10 to policy information associated with the corresponding market center;

          comparing the plurality of market center prices; and

          selecting a particular market center based at least in part upon the comparison.

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25. The system of Claim 24, wherein the policy information indicates whether a particular market center will match, split, or disregard the best price information.

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26. The system of Claim 24, wherein the best price information identifies at least one of a best bid price and a best offer price for the trading product.

25        27. The system of Claim 19, wherein selecting one of the plurality of market centers comprises:

          adjusting at least one market center price according to at least one of cost information and rebate information of the corresponding market center;

30        comparing the plurality of market center prices; and

          selecting a particular market center based at least in part upon the comparison.

28. The system of Claim 27, wherein:

the cost information specifies a transaction cost charged by a particular market center for processing the trading order; and

5 the rebate information specifies a transaction rebate charged by a particular market center for processing the trading order.

29. The system of Claim 19, wherein the trading  
10 order specifies a total quantity of the trading product and a maximum disclosure quantity of the trading product, wherein the trading order is associated with a particular market center.

15 30. The system of Claim 29, wherein:

the disclosure policy of the selected market center is a proprietary reserve policy; and

the trading order routed to the selected market center specifies the total quantity of the trading  
20 product and the maximum disclosure quantity of the trading product.

31. The system of Claim 29, wherein:

the disclosure policy of the selected market center  
25 indicates that the trading order may be disclosed to a market participant; and

the trading order routed to the selected market center specifies the maximum disclosure quantity of the trading product but not the total quantity of the trading  
30 product.



32. The system of Claim 31, wherein the trading order routed to the selected market center comprises a day trading order that remains on an order book of the selected market center for the lesser of the remainder of  
5 a current trading day, until it is canceled, or until it is filled.

33. The system of Claim 29, wherein:  
the disclosure policy of the selected market center  
10 indicates that the trading order will not be disclosed to a market participant; and  
the trading order routed to the selected market center specifies the total quantity of the trading product.

15 34. The system of Claim 33, wherein the trading order routed to the selected market center comprises an IOC order that the selected market center attempts to fill immediately and cancels any portion of the trading  
20 order that cannot be filled immediately.

35. The system of Claim 19, wherein the processor is further operable to:  
monitor the length of time the trading order is  
25 active with the selected market center;  
determine a timeout when the length of time the trading order is active with the selected market center equals or exceeds a predetermined time threshold; and  
communicate a cancel instruction for the trading  
30 order in response to determining the timeout.

36. The system of Claim 35, wherein the processor is further operable to communicate an order instruction for the trading order in response to determining the timeout.

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